PSJ18 WALGREENS Opp Exh 17
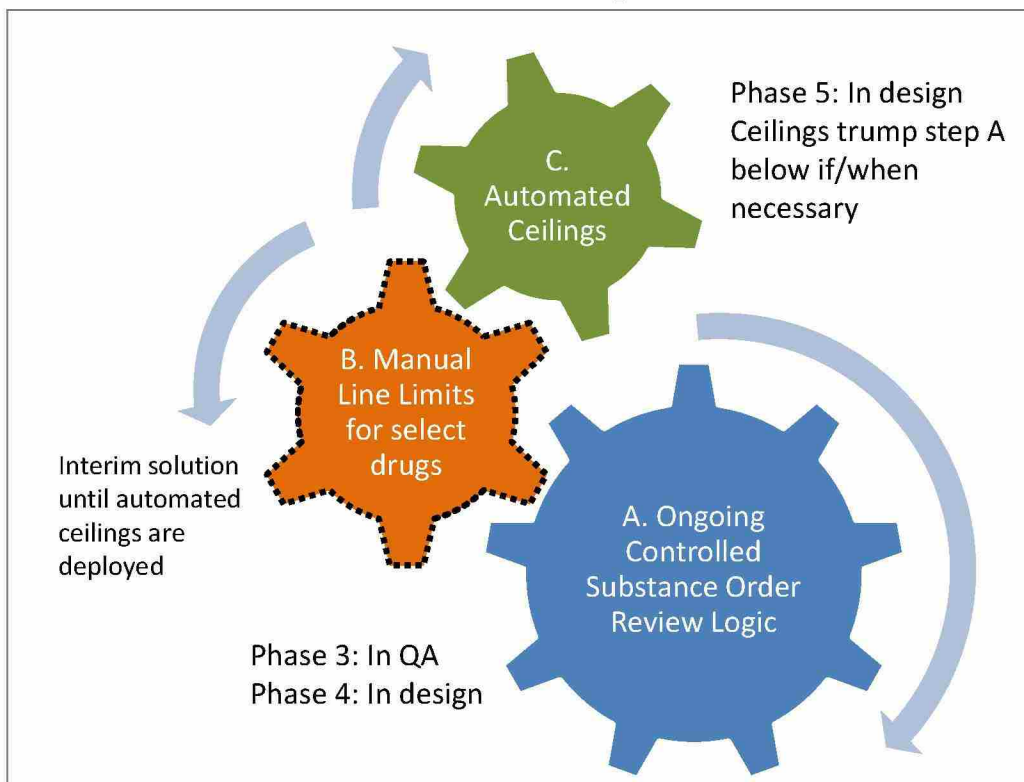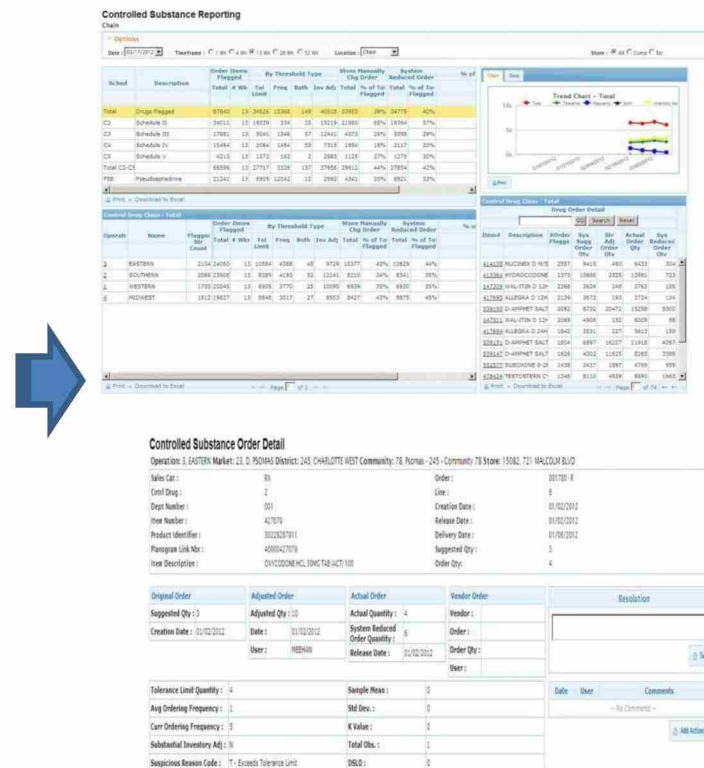
Controlled Substance Order Review Business Logic

Controlled Substance Order Review Web-Based Exception Reports

Ordering

Phase 5: In design
Ceilings trump step A below if/when necessary

C. Automated Ceilings

B. Manual Line Limits for select drugs

Interim solution until automated ceilings are deployed

A. Ongoing Controlled Substance Order Review Logic

Phase 3: In QA
Phase 4: In design

Dispensing

Store Level: Good Faith Dispensing → Store Level: DUR & PDMP review, etc. → Corporate: Monitoring through Potential Risk Indexing

Monitoring current done through manual analysis, will work towards automation and scorecards

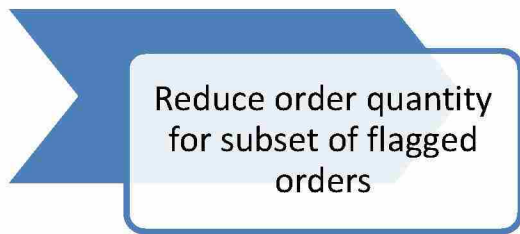# Ongoing Controlled Drug Order Review Logic

A. Ongoing Controlled Substance Order Review Logic

Review all Controlled Drug & PSE orders	Flag select orders as suspicious	Reduce order quantity for subset of flagged orders

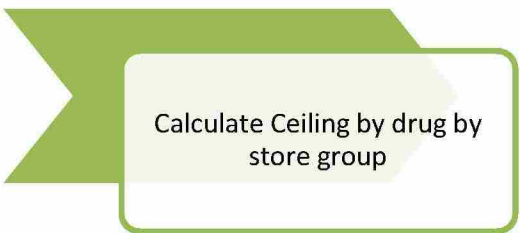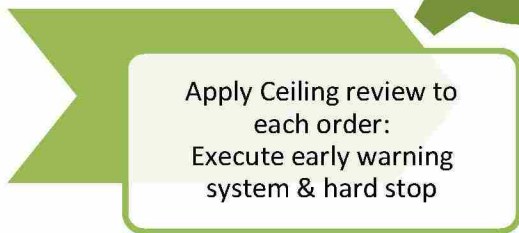| Phase	Key Points	Key Points	Key Points
1 8/2009 – 9/2010	Reviews WAG DC orders only	Flags based on by drug by store historical sales patterns over 26 weeks	No order reductions in Phase 1
2 9/2010 - current	Reviews WAG DC orders only	Flags based on by drug by store historical sales patterns over 26 weeks	Reductions begin in Phase 2 – only applies to WAG DC orders
3 Estimated 6/2012 – 7/2012?	Reviews WAG DC orders **plus checks to see if vendor order** placed with 48 hours for same drug	Flags based on by drug by store historical sales patterns over 26 weeks **Open Discussion Item: shorten timeframe to 13 week trend?**	Review and refinement of tolerance and frequency thresholds. Confirm action for each possible scenario (using matrix)
4 7/2012?	Reviews WAG DC orders plus applies same logic to Vendor orders making them eligible for flagging and order reduction. Partial Fills also added to logic review	Both WAG DC and Vendor orders flagged if thresholds exceeded	Both WAG DC and Vendor orders reduced if thresholds exceeded

Automated Ceiling Trump Factor

C.
Automated
Ceilings

	Group Stores	Calculate Ceiling by drug by store group	Apply Ceiling review to each order: Execute early warning system & hard stop

Phase	Key Points	Key Points	Key Points

5
9/2012
	Group stores by:
	• Script volume?
	• And/or other factors?
	
	Timeframe to base store group:
	• Rolling 4, 6, 8, 13 weeks?
	
	Scripts used to base store group:
	• Total scripts (control + non)?
	• All Controlled?
	• Just Controlled?
		Timeframe to base ceiling:
		• Rolling 4, 6, 8, 13 weeks?
		
		Drugs to have ceiling:
		• All Controlled + PSE?
		• Just Controlled?
		• Just C2?
		• Just select Controlled?
		
		Metric to include:
		• Receipts?
		• Also Sales?
		
		Early Warning Alert:
		• Starts at 75%
			How to apply ceiling:
			• Cumulative over rolling x weeks?
			• Weekly ?
			
			Considerations:
			• How to distribute/moderate impact to patients (both legitimate and those potentially not)
			• How much are we allowing or suppressing business growth for:
			   • Low volume store group
			   • Average store group
			   • High volume store group
			• Are you treated the same if your store hits ceiling based on system generated order vs. an order that was already reduced by Step A?
			• How does corporate override ability influence this process? Does overridden order get included in history used to refresh ceiling and store group placement?
			• Should initial pattern be based on timeframe pre-line limit or include line limit period?

Overarching Requirements:
✓ Program logic must be configurable to allow for easy updates to timeframe, store groups, drugs reviewed, etc.
✓ Data must be output to other application TBD for tactical reports and executive scorecard (likely Ora/Manuela reporting adding on to Step A)